

Barnstable County Retirement Board

PERAC Approval Date	Regulation Number	Investment Regulation/Supplemental Regulation
09/26/2005	19.01(6)	<p>Notwithstanding the provisions of the Public Employee Retirement Administration Commission regulations, the Barnstable County Retirement Board may invest funds of the Barnstable County Retirement System (the "System") in the fund known as Allegis Value Trust (AVT) Fund (the "Fund"), and while the assets of the System are so invested, the assets of the System shall be deemed to include, for purposes of applying the rules set forth in 840 CMR 16.00 et seq. and 17.00 et seq.; the System's interest in the Fund but not any of the underlying assets of the Fund; provided that, at all times, the Fund qualified as a "venture capital operating company" or "real estate operating company" within the meaning of the Employee Retirement Income Security Act of 1974, as amended ("ERISA"), and the regulations promulgated thereunder.</p> <p>The limitations and restrictions of 840 CMR Section 19.01(6) shall not apply to the Fund for the two-year period commencing on the date of the Fund's initial investment.</p>
11/03/1997	20.06(2)	Bonds shall have a minimum quality rating of Baa or equivalent as rated by one or more recognized bond rating services, however, 15% of the market value of fixed income investments may be invested in bonds with a quality rating of below Baa or equivalent as rated by one or more recognized bond rating services.
	20.06(4)	Fixed income holdings which are downgraded by one or more recognized rating services to below a Baa or equivalent rating must be sold within a reasonable period of time not to exceed one year, however, 15% of the market value of fixed income investments may be invested in bonds with a quality rating of below Baa or equivalent.
10/10/1996	20.07(1)	<p>The issuer of equity securities must have a publicly available operating record of at least five years, including past performance resulting from mergers, acquisitions, and spinoffs. However, up to 5% of the total equity market value may be used to purchase securities with a publicly available operating record of less than five years.</p> <p>840 CMR 21.00: Prohibited Investments</p> <p>(3) Futures Contracts other than as follows:</p> <p>(a) Forward Currency Contracts may be written against securities in the international portfolio by an investment advisor registered under the Investment Advisors Act of 1940 and who has been granted a waiver from PERA for international investments.</p>

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(b) Forward Currency Contracts may be written against securities in the international portfolio to a maximum of twenty-five percent (25%) of the international portfolio's non-dollar holdings at market value. Speculative currency positions unrelated to underlying portfolio holdings are strictly prohibited.

08/29/1996 20.03(1)

Equity investments shall not exceed 65% of the portfolio valued at market, including international equities which shall not exceed 15% of the portfolio valued at market.

11/30/1995 16.02(3)

The board may incur expenses for investment advice or management of the funds of system by a qualified investment manager and the board may incur expenses for consulting services which may include performance measurement, asset allocation services, investment manager searches, and commission recapture searches. Such expenses may be charged against earned income from investments provided that the total of such expenses shall not exceed in any one year:

- (a) 1% of the value of the fund for the first \$5 million, and
- (b) 0.6% of the value of the fund in excess of \$5 million.

07/20/1995 18.02(4)

Rate of Return. A statement of the rate of return objective for the entire portfolio which shall be at least one percent (1%) greater than a composite performance index consisting of fifty percent (50%) of the Standard & Poors SA Free 500 Stock Index and fifty percent (50%) of the Lehman Brothers Aggregate Bond Index, cumulated quarterly.

20.04(6)

American Depository Receipts denominated in U.S. currency and listed on a United States stock exchange or traded over the counter in the United States, provided that the total of all such investments shall be considered part of the board's equity asset allocation and shall not exceed 5% of the total market value of the equity portfolio.

02/03/1994 20.03(1)

Equity investments shall not exceed 65% of the total book value of the portfolio at the time of purchase including international equities which shall not exceed 10% of the total book value of the portfolio at the time of purchase.

20.03(2)

At least 35% but no more than 80% of the total portfolio valued at market shall consist of fixed income investments with a maturity of more than one year including Yankee Bonds which shall be limited to 10% of the total fixed income portfolio valued at market and including international fixed income investments which shall be limited to 10% of the total fixed income portfolio.

09/30/1993 20.03(2)

At least 35% but no more than 80% of the total portfolio valued at market shall consist of fixed income investments with a maturity of more than one year including Yankee Bonds which shall be limited to

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10% of the total fixed income portfolio valued at market.

04/24/1992	16.02(3)	The board may incur expenses for investment advice or management of the funds of the system by a qualified investment manager and the board may incur expenses for consulting services which may include performance measurement, asset allocation services and investment manager searches. Such expenses may be charged against earned income from investments provided that the total of such expenses shall not exceed in any one year: (a) 1% of the value of the fund for the first \$5 million; and (b) 0.6% of the value of the fund in excess of \$5 million.
	16.02(4)	The board may employ a custodian bank and may charge such expenses against earned income from investments provided that such expenses shall not exceed in any one year .08% of the value of the fund
12/21/1989	20.03(1)	Equity investments shall not exceed 50% of the total book value of the portfolio at the time of purchase including international equities which shall not exceed 10% of the total book value of the portfolio at the time of purchase.
07/27/1989		(1) Real estate investments shall not exceed 10% of the total book value of the portfolio at the time of purchase and shall consist of real estate separate accounts, provided that: (a) the Board does not participate in the selection of the separate account management and should the Board be required to participate in the selection of the separate account management, prior to any participation by the board, the board shall consult with PERA to determine the appropriate course of action, and (b) the separate account management retains authority in the decision making process, and (c) should an investment in a separate account result in the direct ownership of real estate or mortgage indebtedness, such shall be permitted only until such time as divestiture of said separate account is prudent.
	16.02(3)	The Barnstable County Retirement Board may incur expenses for investment advice or management of the funds of the system by a qualified investment advisor(s) and may charge such expenses against earned income from investments provided that such expenses shall not exceed in any one year: 1% of the value of the fund for the first \$5 million and .6% of the value of the fund in excess of \$5 million.
	20.03(1)	Equity investments shall not exceed 40% of the total book value of the portfolio at the time of purchase including international equities

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which shall not exceed 10% of the total book value of the portfolio at the time of purchase.

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| 20.03(2) | At least 35% but no more than 80% of the total portfolio valued at market shall consist of fixed income investments with a maturity of more than one year. |
| 20.04(1) | United States based corporations and equities of foreign corporations. |
| 20.07(5) | Equity investments shall be made only in securities listed on a United States stock exchange, traded over the counter in the United States, or listed and traded on the exchanges of the following countries: Austria, Belgium, Denmark, Finland, France, Germany, Italy, Netherlands, Norway, Spain, Sweden, Switzerland, United Kingdom, Australia, Hong Kong, Japan, New Zealand, and Singapore/Malaysia. |
| 20.97(6) | Sales of equity investments shall not exceed 2001 of the average market value of all equity holdings in any twelve month period. |
| 20.08(e) | Cash or cash equivalent investments may be made in the foreign currencies of the countries listed in 20.07(5), however, foreign currency speculation is prohibited. |